

Small Town Economic Development

Presenter:
Patricia Garvin
Sr. Economic Development Planner
North Country Council
pgarvin@nccouncil.org
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Overview

- Economic Development as a Community Investment
- Municipal Financing Tools
- Other Resources

Economic Development Questions

- Will the jobs created increase the wages in your community?
- Will the increase in the tax base be greater than the increased costs to your community?

Community Planning Questions

- Does the investment extend your infrastructure?
- Does the investment re-use existing infrastructure?
- Does the investment conflict with other land use strategies?
- Do you have a Capital Improvement Program (CIP), and if so, how does this project fit in?
- Is the area already zoned for commercial, industrial or other intended use?

4

Some new questions to consider:

- Does this investment have overall community appeal?
- What impact will this investment have on you downtown?
- What impact will this investment have on your cultural and historical resources?
- Is this investment a good example of entrepreneurialism?

5

New questions, cont.

- Does this investment address identified community needs?
- Is this an opportunity to collaborate with other communities?
- Will this investment assist with bringing telecommunications to new areas in your community?

6

Financing Tools:

Municipal Infrastructure

Community Development Block Grant Program (CDBG) www.nhcdfa.org

- Requires specific job creation/retention
- Requires 60% LMI jobs
- Requires match

Municipal Infrastructure Financing, cont.

USDA/Rural Development

www.rurdev.usda.gov/vt
(Vt and NH homepage)

- Municipal loans and grants
- Must be turned down by a bank
- Job creation

Municipal Infrastructure Financing, cont.

US Dept of Commerce/ Economic Development Administration (EDA) www.eda.gov

- Projects vetted/approved through regional Comprehensive Economic Development Strategy (CEDS)
 - North Country Council
 - Rockingham Econ. Dev. Corp.
 - Lakes Region Planning Commission
 - Upper Valley-Lake Sunapee RPC
- Grants for infrastructure, construction
- requires match (cash, in-kind)
- Job creation and private investment tracked

Municipal Infrastructure Financing, cont.

Tax Increment Financing (TIF)

- Municipal financing mechanism
- RSA 162-K: Municipal Economic Development and Revitalization Districts
- A development/revitalization district and a financing plan must be developed
- Sell bond, build infrastructure
- Collect taxes from district to pay for bond
- Taxing ends when bond is paid off

10

Business Financing

www.buzgate.org/nh/index

- Has an alphabetical list of small business resource partners
- Identifies resources for direct, indirect financing (CDBG, USDA/RD, BFA, NH Community Loan Fund/Vested for Growth, SBA etc.)
- Identifies local, regional, and statewide economic development entities
- Identifies other resources and partners

11

Other Resources

DRED Resource Guide for Economic Development Practitioners

- NH Business Resource Center services (603 271-2591, info@nheconomy.com)
- Market, labor and workforce development information
- Financing information
- Training programs
- Site finding
- Energy efficiency
- Other resources, websites, contact information

12
